

Report on Patient Privacy Volume 19, Number 5. May 08, 2019 Have a Data Breach? Your Ad Budget and Brand Reputation May Be at Risk

By Jane Anderson

Hospitals that experience a data breach increase their annual advertising expenditures by 64% in each of the two years following the breach, potentially indicating hospital brand-related damage control and efforts to prevent or minimize patient loss to competitors, a study finds.

The study, published in the *American Journal of Managed Care*, didn't prove cause and effect between the hospital data breaches and increased advertising spending. However, the results suggest such a relationship, says Sung Choi, Ph.D., assistant professor at the University of Central Florida and one of two study authors.

"It appears that hospitals associate data breach with brand damage and work to reduce that damage through advertising," Choi tells *RPP*. "Our impression is that the constant threat of breach is making it a cost of doing business. Hospitals hold a wide range of sensitive patient data, and there is always a risk of inadvertent loss. Also, sensitive patient data is an attractive target for hackers."

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